

City of San Diego
Public Notice of
Homelessness Prevention and Rapid Re-Housing Program
Affordable Housing Proposal and Conflict with Program Regulations

In September 2009, the City of San Diego received a grant from the U.S. Department of Housing and Urban Development (HUD) in the amount of \$6,168,104 to carry out activities under the Homelessness Prevention and Rapid Re-Housing Program (HPRP). The San Diego Housing Commission is the City of San Diego's subgrantee for the operation of the HPRP program.

One form of housing assistance provided to eligible clients who are homeless or at risk of homelessness through the City of San Diego HPRP is financial assistance in the form of rental assistance and assistance for the payment of security and utility deposits, to enable clients to achieve and maintain affordable housing. The Notice of Allocations, Application Procedures, and Requirements for Homelessness Prevention and Rapid Re-Housing Program Grantees under the American Recovery and Reinvestment Act of 2009, issued by HUD, states that a housing unit where an HPRP client receives rental assistance may not be owned by the grantee, subgrantee, or the parent, subsidiary or affiliated organization of the subgrantee. Additionally, Federal conflict of interest regulations, including 24 CFR 570.611, prohibit any person or entity from obtaining a personal or financial interest or benefit from any Federal grant-funded activity.

Notice is hereby given that the City of San Diego proposes to make affordable (rent-restricted) housing units owned by the San Diego Housing Commission, the City's HPRP subgrantee, available to HPRP clients in order to increase the available pool of long-term affordable housing units. This proposal would conflict with the requirements of HPRP and 24 CFR 570.611 as stated above, unless a waiver of those requirements is granted by HUD to the grantee upon the threshold requirements in 24 CFR 570.611(d)(1) being met. Notice is also hereby given that the City of San Diego is requesting from HUD a waiver of the applicable program and conflict of interest regulations in order to proceed with this proposal and provide a benefit to HPRP clients by increasing the supply of affordable rental housing units available to them.

The City of San Diego invites interested residents, organizations, and stakeholders to submit comments regarding this proposal to the City of San Diego CDBG Office through October 8, 2010. Comments may be submitted as follows:

Via mail or in person: City of San Diego HPRP
 ATTN: Vickie White
 1200 Third Ave., Suite 1400
 San Diego, CA 92101

Via email: cdbg@sandiego.gov